

Philadelphia Inquirer - January 31, 2010

Editorial

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President Obama was right to emphasize job creation in his State of the Union address. But he needs to make sure that funds already appropriated for that purpose are spent.

Last winter's economic recovery act, which cost \$787 billion, hasn't met public expectations for putting people back to work because the pace of doling out the money has been too slow.

For example, the federal government has awarded more than \$4.5 billion in stimulus funds so far in Pennsylvania, but less than a tenth of that has reached the recipients to date. About \$3.8 billion has been awarded in New Jersey, but less than \$1 billion of that has actually been spent.

Despite those gaps, the House has approved a second jobs bill worth \$154 billion, and a significant portion of it would also be used for construction jobs rebuilding roads and bridges.

With such a hefty share of the money from the first recovery act yet to be spent, there should be a different focus this time.

More encouraging were the president's proposals to cut taxes on small businesses. An elimination of the capital-gains tax for small businesses should encourage some investors with capital sitting on the sidelines to take risks again. And a new tax credit for more than one million small businesses for hiring new workers or raising wages could bring results relatively quickly.

Such steps would, as Obama said, "create the conditions necessary for businesses to expand and hire more workers." These measures also would come at a cost to the Treasury, but they are more directly targeted at the firms that are essential to creating jobs.

Whether Obama can foster any meaningful cooperation between Republicans and Democrats in Congress on a jobs bill will be a test of his leadership. Some Democrats seem willing to entertain eliminating capital-gains taxes. Business tax cuts "are the appropriate place to begin the discussion," Rep. John Adler (D., N.J.) told the Inquirer Editorial Board.

Tax relief for businesses has always been a rallying cry of the GOP. If Republican lawmakers won't even go for these proposals, it would prove beyond all doubt the claim that they are putting party above the public interest until the November elections.

Beyond these short-term steps to bolster the economy, Obama is right to direct his efforts toward expanding clean-energy sources. It provides a foundation for a wealth of new jobs, and moves this country away from its costly dependence on foreign oil.

But the president also signaled a willingness to expand energy sources traditionally opposed by his liberal base - nuclear power and offshore oil drilling. He's right. Both options need to be developed further.

Obama has demonstrated his mastery of oratory time and again, but he has yet to show that he can translate speeches into action consistently.

For example, can Obama persuade his own party, plus at least a few Republicans, to salvage the most meaningful provisions of the health-care reform bill?

He alternated during the State of the Union address between daring the GOP to behave responsibly and daring Democrats to grow a spine. But the only solution he offered was vague: "As temperatures cool, I want everyone to take another look at the plan we've proposed."

Obama's agenda still holds great promise. To fulfill that promise will take more skill handling Congress than he's yet shown.